

# **Study: Memphis needs 12,000 new apartments by 2030**

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When it comes to apartments, a new study suggests Memphis needs more of them. It also suggests they won't come easily.

According to a new study from the National Multifamily Housing Council (NMHC) and the National Apartment Association (NAA), Memphis is one of the top five most challenging markets to build new apartment stock.

The Barriers to Apartment Construction Index scored 50 metro areas on specific factors, which include local regulations and the amount of available land for development.

The report estimates that at least 4.6 million apartments need to be built in the U.S. by 2030 to meet an expected increase in demand. Locally, the data showed the need for nearly 12,000 new apartments by 2030.

The NAA and NMHC's policy recommendations, deemed Vision 2030, included adopting policies or programs that use the private sector to make affordable housing more feasible, increasing public-private partnerships or using state-level authority to overcome obstacles to apartment construction.

Memphis has already started to move in this direction. In May, the Economic Development Growth Engine (EDGE) for Memphis and Shelby County approved a new policy that will allow it to give payment-in-lieu-of-taxes (PILOT) incentives for residential development. The trial program allows 10 projects to receive abatements of 75 percent of new city and county taxes for a maximum of 15 years.

Rounding out the top five metro areas were Honolulu, Boston, Baltimore and Miami. The easiest market in which to build new apartments was New Orleans.

Research for the study was done by Hoyt Advisory.